

SENATE BILL 1292

By Tracy

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 8; Title 56; Title 68 and Title 71, relative to
suppliers of equipment and services to certain
health care coverage programs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 10, is amended by
adding the following as a new section:

4-3-1021.

(a) This section may be known and cited as the "Patient Choice and Protection
Act of 2013."

(b) For the purposes of this section, "durable medical equipment" (DME) means
durable medical equipment as it is defined in § 67-6-102 and any related supplies,
including enteral nutrition, orthotic and prosthetic equipment and supplies.

(c) For any publicly funded health insurance program provided by the state,
including, but not limited to, medical assistance provider under title 71, chapter 5, and
any state or local health insurance plan under title 8, chapter 27, shall provide durable
medical equipment and services in compliance with this section.

(d) Any supplier of DME and services to a health insurance program covered
under subsection (c) shall:

- (1) Be licensed in this state under title 68, chapter 11;
- (2) Have a physical location that is licensed in this state; and
- (3) Be accredited and bonded as determined to be appropriate by the
commissioner of finance and administration.

(e) Any public contract covered by this section concerning DME and related services shall be open to any supplier of DME and related services who meets the qualifications set by subsection (d) and who are willing to the published price to provide DME equipment and services.

(f) Any company or private entity that acts in management of a contract for DME and related services or which approves claims for such equipment and services shall not have any financial interest in any contracted supplier.

(g) Notwithstanding any other provision of title 56, any clean claim for the purposes of § 56-7-109 shall be paid within sixty (60) days or the penalty that applies under § 56-7-109 to aggregate claims shall accrue to any such claim.

(h) With respect to any contract for the provision of DME and related services as covered under this section entered into or renewed after the effective date of this act, the termination of such contract by any party requires a minimum of one hundred twenty (120) days advance notice provided by certified mail.

SECTION 2. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as a new section:

71-5-151.

(a) For durable medical equipment and services, as defined by § 4-3-1021, the bureau of TennCare shall establish and publish an annual fee schedule in each region in which it provides services at the beginning of the fiscal year for that fiscal year.

(b) Recipients of medical assistance under this part together with any health care providers, referral sources, physicians, and hospital discharge coordinators providing services to the recipient of medical assistance under this part shall be permitted to choose which DME supplier through which the recipient will receive DME and related services.

(c) This section applies to all DME suppliers who meet the qualifications established by § 4-3-1021(d).

(d) The state of Tennessee and the bureau of TennCare shall not exclude any DME provider who chooses to accept the published fee schedule or rates.

SECTION 3. This act shall take effect July 1, 2013, the public welfare requiring it.